State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX -
PLEASE DO NOT REMOVE FROM DRAFTING FILE

Date Transfer Requested: 05/04/2009   (Per: CMH)

☞ Compile Draft – Appendix Ⓘ
... Part 02 of 02

I ☞ The 2009 drafting file for
LRB–2749 (as an insert)
(added when "/4" was created)

J ☞ The 2009 drafting file for
LRB–2791 (as an insert)
(added when "/4" was created)

2009 LRB–2749 has been copied/added to the drafting file for

2009 LRB–2697

DOA:......Weidner – Changes to commerce enterprise zone program

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

in 4-28-09

Tooley AM

1 AN ACT *to renumber and amend* 71.07 (3w) (bm), 71.28 (3w) (bm), 71.47 (3w)

2 (bm) and 560.799 (3) (b); *to amend* 71.07 (3w) (a) 3., 71.07 (3w) (b) 1. a., 71.07

3 (3w) (b) 1. b., 71.07 (3w) (b) 2., 71.07 (3w) (b) 3., 71.07 (3w) (b) 5., 71.28 (3w) (a)

4 3., 71.28 (3w) (b) 1. a., 71.28 (3w) (b) 1. b., 71.28 (3w) (b) 2., 71.28 (3w) (b) 3.,

5 71.28 (3w) (b) 5., 71.47 (3w) (a) 3., 71.47 (3w) (b) 1. a., 71.47 (3w) (b) 1. b., 71.47

6 (3w) (b) 2., 71.47 (3w) (b) 3., 71.47 (3w) (b) 5. and 560.799 (3) (a); and *to create*

7 71.07 (3w) (a) 5d., 71.07 (3w) (a) 5e., 71.07 (3w) (bm) 2., 71.28 (3w) (a) 5d., 71.28

8 (3w) (a) 5e., 71.28 (3w) (bm) 2., 71.47 (3w) (a) 5d., 71.47 (3w) (a) 5e., 71.47 (3w)

9 (bm) 2., 560.799 (1) (am), 560.799 (3) (bm), 560.799 (5) (d) and 560.799 (6) (g)

10 of the statutes; **relating to:** the enterprise zone jobs credits.

Analysis by the Legislative Reference Bureau
ECONOMIC DEVELOPMENT

Under current law, the Department of Commerce (commerce) may designate an area as an enterprise zone. The area designated as an enterprise zone must not

exceed 50 acres, and commerce may designate no more than ten enterprise zones. Commerce must consider a number of factors related to the area prior to designating the area as an enterprise zone. These factors include the housing values and average wages in the area, whether the area has experienced job losses or a population decline, and whether designation as an enterprise zone would promote the creation of jobs and economic and community development in the area.

This bill eliminates the requirement that the area to be designated as an enterprise zone not exceed 50 acres. The bill requires commerce to specify whether the enterprise zone is located in a Tier I or Tier II county or municipality. Commerce is directed to define "Tier I county or municipality" and "Tier II county or municipality" by administrative rule. The bill also authorizes commerce to consider whether designation as an enterprise zone would promote the retention of jobs in the area.

Under current law, a taxpayer who creates jobs in an enterprise zone may claim an income and franchise tax credit equal to 7 percent of the taxpayer's payroll in the enterprise zone that is paid to new full-time employees who earn more than $30,000, but less than $100,000, in annual wages. In addition, the taxpayer may claim a credit equal to the amount the taxpayer paid in the taxable year to provide certain job-related training to the taxpayer's full-time employees in the enterprise zone.

Under this bill, a taxpayer who creates jobs in an enterprise zone located in a Tier I county or municipality may claim an income and franchise tax credit equal to no more than 7 percent of the taxpayer's payroll in the enterprise zone that is paid to new full-time employees who earn more than $20,000, but less than $100,000, in annual wages. A taxpayer who creates jobs in an enterprise zone located in a Tier II county or municipality may claim an income and franchise tax credit equal to no more than 7 percent of the taxpayer's payroll in the enterprise zone that is paid to new full-time employees who earn more than $30,000, but less than $100,000, in annual wages.

In addition, if the taxpayer is able to retain jobs in an enterprise zone, the taxpayer may claim a credit equal to no more than 7 percent of the taxpayer's enterprise zone payroll in a Tier I county or municipality that is paid to full-time employees who earn more than $20,000, but less than $100,000, in annual wages, less the amount paid to new full-time employees, or no more than 7 percent of the taxpayer's enterprise zone payroll in a Tier II county or municipality that is paid to full-time employees who earn more than $30,000, but less than $100,000, in annual wages, less the amount paid to new full-time employees. A taxpayer seeking to claim job retention credits must satisfy the following conditions:

1. The taxpayer must make a significant capital investment in property in the enterprise zone.

2. The taxpayer must either be an original equipment manufacturer with a significant supply chain in the state or must employ more than 500 full-time employes in the enterprise zone.

Commerce is directed to define original equipment manufacturer by rule. A taxpayer may claim the credit for retaining jobs for no more than six consecutive taxable years.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1   SECTION 1. 71.07 (3w) (a) 3. of the statutes is amended to read:

2   71.07 **(3w)** (a) 3. "Full-time employee" means ~~an individual who is employed~~

3   ~~in a regular, nonseasonal job and who, as a condition of employment, is required to~~

4   ~~work at least 2,080 hours per year, including paid leave and holidays~~ a full-time

5   employee, as defined in s. 560.799 (1) (am).

6   SECTION 2. 71.07 (3w) (a) 5d. of the statutes is created to read:

7   71.07 **(3w)** (a) 5d. "Tier I county or municipality" means a tier I county or

8   municipality, as determined by the department of commerce under s. 560.799.

9   SECTION 3. 71.07 (3w) (a) 5e. of the statutes is created to read:

10   71.07 **(3w)** (a) 5e. "Tier II county or municipality" means a tier II county or

11   municipality, as determined by the department of commerce under s. 560.799.

12   SECTION 4. 71.07 (3w) (b) 1. a. of the statutes is amended to read:

13   71.07 **(3w)** (b) 1. a. The number of full-time employees whose annual wages

14   are greater than $20,000 in a tier I county or municipality or greater than $30,000

15   in a tier II county or municipality and who the claimant employed in the enterprise

16   zone in the taxable year, minus the number of full-time employees whose annual

17   wages were greater than $20,000 in a tier I county or municipality or greater than

18    $30,000 in a tier II county or municipality and who the claimant employed in the area

19   that comprises the enterprise zone in the base year.

20   SECTION 5. 71.07 (3w) (b) 1. b. of the statutes is amended to read:

1   71.07 **(3w)** (b) 1. b. The number of full-time employees whose annual wages

2   are greater than $20,000 in a tier I county or municipality or greater than $30,000

3   in a tier II county or municipality and who the claimant employed in the state in the

4   taxable year, minus the number of full-time employees whose annual wages were

5   greater than $20,000 in a tier I county or municipality or greater than $30,000 in a

6   tier II county or municipality and who the claimant employed in the state in the base

7   year.

8   **SECTION 6.** 71.07 (3w) (b) 2. of the statutes is amended to read:

9   71.07 **(3w)** (b) 2. Determine the claimant's average zone payroll by dividing

10   total wages for full-time employees whose annual wages are greater than $20,000

11   in a tier I county or municipality or greater than $30,000 in a tier II county or

12   municipality and who the claimant employed in the enterprise zone in the taxable

13   year by the number of full-time employees whose annual wages are greater than

14    $20,000 in a tier I county or municipality or greater than $30,000 in a tier II county

15   or municipality and who the claimant employed in the enterprise zone in the taxable

16   year.

17   **SECTION 7.** 71.07 (3w) (b) 3. of the statutes is amended to read:

18   71.07 **(3w)** (b) 3. ~~Subtract~~ For employees in a tier I county or municipality,

19   subtract $20,000 from the amount determined under subd. 2. and for employees in

20   a tier II county or municipality, subtract $30,000 from the amount determined under

21   subd. 2.

22   **SECTION 8.** 71.07 (3w) (b) 5. of the statutes is amended to read:

23   71.07 **(3w)** (b) 5. Multiply the amount determined under subd. 4. by the

24   percentage determined by the department of commerce under s. 560.799, not to

25   exceed 7 percent.

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SECTION 9

1   **SECTION 9.** 71.07 (3w) (bm) of the statutes is renumbered 71.07 (3w) (bm) 1. and

2   amended to read:

3   71.07 **(3w)** (bm) 1. In addition to the ~~credit~~ credits under par. (b) and subd. 2.,

4   and subject to the limitations provided in this subsection and s. 560.799, a claimant

5   may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount

6   equal to a percentage, as determined by the department of commerce, not to exceed

7   100 percent, of the amount the claimant paid in the taxable year to upgrade or

8   improve the job-related skills of any of the claimant's full-time employees, to train

9   any of the claimant's full-time employees on the use of job-related new technologies,

10   or to provide job-related training to any full-time employee whose employment with

11   the claimant represents the employee's first full-time job. This subdivision does not

12   apply to employees who do not work in an enterprise zone.

13   **SECTION 10.** 71.07 (3w) (bm) 2. of the statutes is created to read:

14   71.07 **(3w)** (bm) 2. In addition to the credits under par. (b) and subd. 1., and

15   subject to the limitations provided in this subsection and s. 560.799, a claimant may

16   claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount equal

17   to the percentage, as determined by the department of commerce under s. 560.799,

18   not to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all

19   of the claimant's full-time employees whose annual wages are greater than $20,000

20   in a tier I county or municipality, not including the wages paid to the employees

21   determined under par. (b) 1., or greater than $30,000 in a tier II county or

22   municipality, not including the wages paid to the employees determined under par.

23   (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if

24   the total number of such employees is equal to or greater than the total number of

1 such employees in the base year. A claimant may claim a credit under this

2 subdivision for no more than 6 consecutive taxable years.

3   **SECTION 11.** 71.28 (3w) (a) 3. of the statutes is amended to read:

4   71.28 **(3w)** (a) 3. "Full-time employee" means ~~an individual who is employed~~

5 ~~in a regular, nonseasonal job and who, as a condition of employment, is required to~~

6 ~~work at least 2,080 hours per year, including paid leave and holidays~~ a full-time

7 employee, as defined in s. 560.799 (1) (am).

8   **SECTION 12.** 71.28 (3w) (a) 5d. of the statutes is created to read:

9   71.28 **(3w)** (a) 5d. "Tier I county or municipality" means a tier I county or

10 municipality, as determined by the department of commerce under s. 560.799.

11   **SECTION 13.** 71.28 (3w) (a) 5e. of the statutes is created to read:

12   71.28 **(3w)** (a) 5e. "Tier II county or municipality" means a tier II county or

13 municipality, as determined by the department of commerce under s. 560.799.

14   **SECTION 14.** 71.28 (3w) (b) 1. a. of the statutes is amended to read:

15   71.28 **(3w)** (b) 1. a. The number of full-time employees whose annual wages

16 are greater than $20,000 in a tier I county or municipality or greater than $30,000

17 in a tier II county or municipality and who the claimant employed in the enterprise

18 zone in the taxable year, minus the number of full-time employees whose annual

19 wages were greater than $20,000 in a tier I county or municipality or greater than

20 $30,000 in a tier II county or municipality and who the claimant employed in the area

21 that comprises the enterprise zone in the base year.

22   **SECTION 15.** 71.28 (3w) (b) 1. b. of the statutes is amended to read:

23   71.28 **(3w)** (b) 1. b. The number of full-time employees whose annual wages

24 are greater than $20,000 in a tier I county or municipality or greater than $30,000

25 in a tier II county or municipality and who the claimant employed in the state in the

1 taxable year, minus the number of full-time employees whose annual wages were

2 greater than $20,000 in a tier I county or municipality or greater than $30,000 in a

3 tier II county or municipality and who the claimant employed in the state in the base

4 year.

5 **SECTION 16.** 71.28 (3w) (b) 2. of the statutes is amended to read:

6 71.28 **(3w)** (b) 2. Determine the claimant's average zone payroll by dividing

7 total wages for full-time employees whose annual wages are greater than $20,000

8 in a tier I county or municipality or greater than $30,000 in a tier II county or

9 municipality and who the claimant employed in the enterprise zone in the taxable

10 year by the number of full-time employees whose annual wages are greater than

11 $20,000 in a tier I county or municipality or greater than $30,000 in a tier II county

12 or municipality and who the claimant employed in the enterprise zone in the taxable

13 year.

14 **SECTION 17.** 71.28 (3w) (b) 3. of the statutes is amended to read:

15 71.28 **(3w)** (b) 3. ~~Subtract~~ For employees in a tier I county or municipality,

16 subtract $20,000 from the amount determined under subd. 2. and for employees in

17 a tier II county or municipality, subtract $30,000 from the amount determined under

18 subd. 2.

19 **SECTION 18.** 71.28 (3w) (b) 5. of the statutes is amended to read:

20 71.28 **(3w)** (b) 5. Multiply the amount determined under subd. 4. by the

21 percentage determined by the department of commerce under s. 560.799, not to

22 exceed 7 percent.

23 **SECTION 19.** 71.28 (3w) (bm) of the statutes is renumbered 71.28 (3w) (bm) 1.

24 and amended to read:

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SECTION 19

1   71.28 **(3w)** (bm) 1. In addition to the ~~credit~~ credits under par. (b) and subd. 2.,

2   and subject to the limitations provided in this subsection and s. 560.799, a claimant

3   may claim as a credit against the tax imposed under s. 71.23 an amount equal to a

4   percentage, as determined by the department of commerce, not to exceed 100

5   percent, of the amount the claimant paid in the taxable year to upgrade or improve

6   the job-related skills of any of the claimant's full-time employees, to train any of the

7   claimant's full-time employees on the use of job-related new technologies, or to

8   provide job-related training to any full-time employee whose employment with the

9   claimant represents the employee's first full-time job. This subdivision does not

10   apply to employees who do not work in an enterprise zone.

11   **SECTION 20.** 71.28 (3w) (bm) 2. of the statutes is created to read:

12   71.28 **(3w)** (bm) 2. In addition to the credits under par. (b) and subd. 1., and

13   subject to the limitations provided in this subsection and s. 560.799, a claimant may

14   claim as a credit against the tax imposed under s. 71.23 an amount equal to the

15   percentage, as determined by the department of commerce under s. 560.799, not to

16   exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of the

17   claimant's full-time employees whose annual wages are greater than $20,000 in a

18   tier I county or municipality, not including the wages paid to the employees

19   determined under par. (b) 1., or greater than $30,000 in a tier II county or

20   municipality, not including the wages paid to the employees determined under par.

21   (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if

22   the total number of such employees is equal to or greater than the total number of

23   such employees in the base year. A claimant may claim a credit under this

24   subdivision for no more than 6 consecutive taxable years.   5

25   **SECTION 21.** 71.47 (3w) (a) 3. of the statutes is amended to read:

1   71.47 **(3w)** (a) 3. "Full-time employee" means ~~an individual who is employed~~

2   ~~in a regular, nonseasonal job and who, as a condition of employment, is required to~~

3   ~~work at least 2,080 hours per year, including paid leave and holidays~~ a full-time

4   employee, as defined in s. 560.799 (1) (am).

5   SECTION 22. 71.47 (3w) (a) 5d. of the statutes is created to read:

6   71.47 **(3w)** (a) 5d. "Tier I county or municipality" means a tier I county or

7   municipality, as determined by the department of commerce under s. 560.799.

8   SECTION 23. 71.47 (3w) (a) 5e. of the statutes is created to read:

9   71.47 **(3w)** (a) 5e. "Tier II county or municipality" means a tier II county or

10   municipality, as determined by the department of commerce under s. 560.799.

11   SECTION 24. 71.47 (3w) (b) 1. a. of the statutes is amended to read:

12   71.47 **(3w)** (b) 1. a. The number of full-time employees whose annual wages

13   are greater than $20,000 in a tier I county or municipality or greater than $30,000

14   in a tier II county or municipality and who the claimant employed in the enterprise

15   zone in the taxable year, minus the number of full-time employees whose annual

16   wages were greater than $20,000 in a tier I county or municipality or greater than

17   $30,000 in a tier II county or municipality and who the claimant employed in the area

18   that comprises the enterprise zone in the base year.

19   SECTION 25. 71.47 (3w) (b) 1. b. of the statutes is amended to read:

20   71.47 **(3w)** (b) 1. b. The number of full-time employees whose annual wages

21   are greater than $20,000 in a tier I county or municipality or greater than $30,000

22   in a tier II county or municipality and who the claimant employed in the state in the

23   taxable year, minus the number of full-time employees whose annual wages were

24   greater than $20,000 in a tier I county or municipality or greater than $30,000 in a

1 tier II county or municipality and who the claimant employed in the state in the base

2 year.

3   **SECTION 26.** 71.47 (3w) (b) 2. of the statutes is amended to read:

4   71.47 **(3w)** (b) 2. Determine the claimant's average zone payroll by dividing

5 total wages for full-time employees whose annual wages are greater than $20,000

6 in a tier I county or municipality or greater than $30,000 in a tier II county or

7 municipality and who the claimant employed in the enterprise zone in the taxable

8 year by the number of full-time employees whose annual wages are greater than

9 $20,000 in a tier I county or municipality or greater than $30,000 in a tier II county

10 or municipality and who the claimant employed in the enterprise zone in the taxable

11 year.

12   **SECTION 27.** 71.47 (3w) (b) 3. of the statutes is amended to read:

13   71.47 **(3w)** (b) 3. ~~Subtract~~ For employees in a tier I county or municipality,

14 subtract $20,000 from the amount determined under subd. 2. and for employees in

15 a tier II county or municipality, subtract $30,000 from the amount determined under

16 subd. 2.

17   **SECTION 28.** 71.47 (3w) (b) 5. of the statutes is amended to read:

18   71.47 **(3w)** (b) 5. Multiply the amount determined under subd. 4. by the

19 percentage determined by the department of commerce under s. 560.799, not to

20 exceed 7 percent.

21   **SECTION 29.** 71.47 (3w) (bm) of the statutes is renumbered 71.47 (3w) (bm) 1.

22 and amended to read:

23   71.47 **(3w)** (bm) 1. In addition to the ~~credit~~ credits under par. (b) and subd. 2.,

24 and subject to the limitations provided in this subsection and s. 560.799, a claimant

25 may claim as a credit against the tax imposed under s. 71.43 an amount equal to a

1   percentage, as determined by the department of commerce, not to exceed 100

2   percent, of the amount the claimant paid in the taxable year to upgrade or improve

3   the job-related skills of any of the claimant's full-time employees, to train any of the

4   claimant's full-time employees on the use of job-related new technologies, or to

5   provide job-related training to any full-time employee whose employment with the

6   claimant represents the employee's first full-time job. This subdivision does not

7   apply to employees who do not work in an enterprise zone.

8   **SECTION 30.** 71.47 (3w) (bm) 2. of the statutes is created to read:

9   71.47 **(3w)** (bm) 2. In addition to the credits under par. (b) and subd. 1., and

10   subject to the limitations provided in this subsection and s. 560.799, a claimant may

11   claim as a credit against the tax imposed under s. 71.43 an amount equal to the

12   percentage, as determined by the department of commerce under s. 560.799, not to

13   exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of the

14   claimant's full-time employees whose annual wages are greater than $20,000 in a

15   tier I county or municipality, not including the wages paid to the employees

16   determined under par. (b) 1., or greater than $30,000 in a tier II county or

17   municipality, not including the wages paid to the employees determined under par.

18   (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if

19   the total number of such employees is equal to or greater than the total number of

20   such employees in the base year. A claimant may claim a credit under this

21   subdivision for no more than 6 consecutive taxable years. 5

22   **SECTION 31.** 560.799 (1) (am) of the statutes is created to read:

23   560.799 **(1)** (am) 1. Except as provided in subd. 2., "full-time employee" means

24   an individual who is employed in a regular, nonseasonal job and who, as a condition

1   of employment, is required to work at least 2,080 hours per year, including paid leave

2   and holidays.

3   2.   The department may by rule specify circumstances under which the

4   department may grant exceptions to the requirement under subd. 1. that a full-time

5   employee means an individual who, as a condition of employment, is required to work

6   at least 2,080 hours per year, but under no circumstances may a full-time employee

7   mean an individual who, as a condition of employment, is required to work less than

8   37.5 hours per week.

9   **SECTION 32.** 560.799 (3) (a) of the statutes is amended to read:

10   560.799 **(3)** (a) The department may designate not more than 10 enterprise

11   zones. ~~The department may designate an area as an enterprise zone if the area does~~

12   ~~not exceed 50 acres.~~

13   **SECTION 33.** 560.799 (3) (b) of the statutes is renumbered 560.799 (3) (b) (intro.)

14   and amended to read:

15   560.799 **(3)** (b) (intro.) In determining whether to designate an area under par.

16   (a), the department shall consider all of the following:

17   <u>1.</u> Indicators of the area's economic need, which may include data regarding

18   household income, average wages, the condition of property, housing values,

19   population decline, job losses, infrastructure and energy support, the rate of business

20   development, <u>and</u> the existing resources available to the area; ~~the~~<u>.</u>

21   <u>2. The</u> effect of designation on other initiatives and programs to promote

22   economic and community development in the area, including job <u>retention, job</u>

23   creation ~~and,~~ job training<u>,</u> and creating high-paying jobs.

24   **SECTION 34.** 560.799 (3) (bm) of the statutes is created to read:

1   560.799 **(3)** (bm) The department shall specify whether an enterprise zone

2   designated under par. (a) is located in a tier I county or municipality or a tier II county

3   or municipality.

4   **SECTION 35.** 560.799 (5) (d) of the statutes is created to read:

5   560.799 **(5)** (d) A business that retains jobs in an enterprise zone, but only if

6   the business makes a significant capital investment in property located in the

7   enterprise zone and at least one of the following applies:

8   1. The business is an original equipment manufacturer with a significant

9   supply chain in the state, as determined by the department by rule.

10   2. More than 500 full-time employees are employed by the business in the

11   enterprise zone.

12   **SECTION 36.** 560.799 (6) (g) of the statutes is created to read:

13   560.799 **(6)** (g) The department shall promulgate the following by rule:

14   1. The definitions of a tier I county or municipality and a tier II county or

15   municipality. The department may consider all of the following information when

16   establishing the definitions required under this subdivision:

17   a. Unemployment rate.

18   b. Percentage of families with incomes below the poverty line established under

19   42 USC 9902 (2).

20   c. Median family income.

21   d. Median per capita income.

22   e. Other significant or irregular indicators of economic distress, such as a

23   natural disaster or mass layoff.

24   2. The definition of an original equipment manufacturer with a significant

25   supply chain in the state.

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SECTION 9110

1   **SECTION 9110. Nonstatutory provisions; Commerce.**

2   (1) ENTERPRISE ZONE JOBS CREDIT; EMERGENCY RULES. The department of

3   commerce may use the procedure under section 227.24 of the statutes to promulgate

4   rules under section 560.799 (6) (g) of the statutes, as created by this act.

5   Notwithstanding section 227.24 (1) (c) and (2) of the statutes, emergency rules

6   promulgated under this subsection remain in effect until July 1, 2010, or the date on

7   which permanent rules take effect, whichever is sooner. Notwithstanding section

8   227.24 (1) (a) and (3) of the statutes, the department is not required to provide

9   evidence that promulgating a rule under this subsection as an emergency rule is

10   necessary for the preservation of the public peace, health, safety, or welfare and is

11   not required to provide a finding of emergency for a rule promulgated under this

12   subsection.

13   (2) ENTERPRISE ZONE JOBS CREDIT; ECONOMIC IMPACT REPORT. Notwithstanding

14   sections 227.137 (2) and 227.138 (2) of the statutes, if the secretary of administration

15   requires the department of commerce to prepare an economic impact report for the

16   rules required under section 560.799 (6) (g) of the statutes, as created by this act, the

17   department may submit the proposed rules to the legislature for review under

18   section 227.19 (2) of the statutes before the department completes the economic

19   impact report and before the department receives a copy of the report and approval

20   under section 227.138 (2) of the statutes.

21   **SECTION 9343. Initial applicability; Revenue.**

22   (1) ENTERPRISE ZONE JOBS CREDIT. The treatment of sections 71.07 (3w) (a) 3.,

23   5d., and 5e. and (b) 1. a. and b., 2., 3., and 5., 71.28 (3w) (a) 3., 5d., and 5e. and (b)

24   1. a. and b., 2., 3., and 5., and 71.47 (3w) (a) 3., 5d., and 5e. and (b) 1. a. and b., 2., 3.,

25   and 5. of the statutes, the renumbering and amendment of sections 71.07 (3w) (bm),

1   71.28 (3w) (bm), and 71.47 (3w) (bm) of the statutes, and the creation of sections 71.07

2   (3w) (bm) 2., 71.28 (3w) (bm) 2., and 71.47 (3w) (bm) 2. of the statutes first apply to

3   taxable years beginning on January 1, 2009.

4   **(END)**

DOA:......Weidner – Changes to commerce enterprise zone program

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

1   AN ACT *to renumber and amend* 71.07 (3w) (bm), 71.28 (3w) (bm), 71.47 (3w)

2   (bm) and 560.799 (3) (b); *to amend* 71.07 (3w) (a) 3., 71.07 (3w) (b) 1. a., 71.07

3   (3w) (b) 1. b., 71.07 (3w) (b) 2., 71.07 (3w) (b) 3., 71.07 (3w) (b) 5., 71.28 (3w) (a)

4   3., 71.28 (3w) (b) 1. a., 71.28 (3w) (b) 1. b., 71.28 (3w) (b) 2., 71.28 (3w) (b) 3.,

5   71.28 (3w) (b) 5., 71.47 (3w) (a) 3., 71.47 (3w) (b) 1. a., 71.47 (3w) (b) 1. b., 71.47

6   (3w) (b) 2., 71.47 (3w) (b) 3., 71.47 (3w) (b) 5. and 560.799 (3) (a); and *to create*

7   71.07 (3w) (a) 5d., 71.07 (3w) (a) 5e., 71.07 (3w) (bm) 2., 71.28 (3w) (a) 5d., 71.28

8   (3w) (a) 5e., 71.28 (3w) (bm) 2., 71.47 (3w) (a) 5d., 71.47 (3w) (a) 5e., 71.47 (3w)

9   (bm) 2., 560.799 (1) (am), 560.799 (3) (bm), 560.799 (5) (d) and 560.799 (6) (g)

10   of the statutes; **relating to:** the enterprise zone jobs credits.

Analysis by the Legislative Reference Bureau
ECONOMIC DEVELOPMENT

Under current law, the Department of Commerce (commerce) may designate an area as an enterprise zone. The area designated as an enterprise zone must not

exceed 50 acres, and commerce may designate no more than ten enterprise zones. Commerce must consider a number of factors related to the area prior to designating the area as an enterprise zone. These factors include the housing values and average wages in the area, whether the area has experienced job losses or a population decline, and whether designation as an enterprise zone would promote the creation of jobs and economic and community development in the area.

This bill eliminates the requirement that the area to be designated as an enterprise zone not exceed 50 acres. The bill requires commerce to specify whether the enterprise zone is located in a Tier I or Tier II county or municipality. Commerce is directed to define "Tier I county or municipality" and "Tier II county or municipality" by administrative rule. The bill also authorizes commerce to consider whether designation as an enterprise zone would promote the retention of jobs in the area.

Under current law, a taxpayer who creates jobs in an enterprise zone may claim an income and franchise tax credit equal to 7 percent of the taxpayer's payroll in the enterprise zone that is paid to new full-time employees who earn more than $30,000, but less than $100,000, in annual wages. In addition, the taxpayer may claim a credit equal to the amount the taxpayer paid in the taxable year to provide certain job-related training to the taxpayer's full-time employees in the enterprise zone.

Under this bill, a taxpayer who creates jobs in an enterprise zone located in a Tier I county or municipality may claim an income and franchise tax credit equal to no more than 7 percent of the taxpayer's payroll in the enterprise zone that is paid to new full-time employees who earn more than $20,000, but less than $100,000, in annual wages. A taxpayer who creates jobs in an enterprise zone located in a Tier II county or municipality may claim an income and franchise tax credit equal to no more than 7 percent of the taxpayer's payroll in the enterprise zone that is paid to new full-time employees who earn more than $30,000, but less than $100,000, in annual wages.

In addition, if the taxpayer is able to retain jobs in an enterprise zone, the taxpayer may claim a credit equal to no more than 7 percent of the taxpayer's enterprise zone payroll in a Tier I county or municipality that is paid to full-time employees who earn more than $20,000, but less than $100,000, in annual wages, less the amount paid to new full-time employees, or no more than 7 percent of the taxpayer's enterprise zone payroll in a Tier II county or municipality that is paid to full-time employees who earn more than $30,000, but less than $100,000, in annual wages, less the amount paid to new full-time employees. A taxpayer seeking to claim job retention credits must satisfy the following conditions:

1. The taxpayer must make a significant capital investment in property in the enterprise zone.

2. The taxpayer must either be an original equipment manufacturer with a significant supply chain in the state or must employ more than 500 full-time employes in the enterprise zone.

Commerce is directed to define original equipment manufacturer by rule. A taxpayer may claim the credit for retaining jobs for no more than five consecutive taxable years.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1   **SECTION 1.** 71.07 (3w) (a) 3. of the statutes is amended to read:

2   71.07 **(3w)** (a) 3. "Full–time employee" means ~~an individual who is employed~~

3 ~~in a regular, nonseasonal job and who, as a condition of employment, is required to~~

4 ~~work at least 2,080 hours per year, including paid leave and holidays~~ a full–time

5 employee, as defined in s. 560.799 (1) (am).

6   **SECTION 2.** 71.07 (3w) (a) 5d. of the statutes is created to read:

7   71.07 **(3w)** (a) 5d. "Tier I county or municipality" means a tier I county or

8 municipality, as determined by the department of commerce under s. 560.799.

9   **SECTION 3.** 71.07 (3w) (a) 5e. of the statutes is created to read:

10   71.07 **(3w)** (a) 5e. "Tier II county or municipality" means a tier II county or

11 municipality, as determined by the department of commerce under s. 560.799.

12   **SECTION 4.** 71.07 (3w) (b) 1. a. of the statutes is amended to read:

13   71.07 **(3w)** (b) 1. a. The number of full–time employees whose annual wages

14 are greater than $20,000 in a tier I county or municipality or greater than $30,000

15 in a tier II county or municipality and who the claimant employed in the enterprise

16 zone in the taxable year, minus the number of full–time employees whose annual

17 wages were greater than $20,000 in a tier I county or municipality or greater than

18 $30,000 in a tier II county or municipality and who the claimant employed in the area

19 that comprises the enterprise zone in the base year.

20   **SECTION 5.** 71.07 (3w) (b) 1. b. of the statutes is amended to read:

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1   71.07 **(3w)** (b) 1. b. The number of full-time employees whose annual wages

2   are greater than $20,000 in a tier I county or municipality or greater than $30,000

3   in a tier II county or municipality and who the claimant employed in the state in the

4   taxable year, minus the number of full-time employees whose annual wages were

5   greater than $20,000 in a tier I county or municipality or greater than $30,000 in a

6   tier II county or municipality and who the claimant employed in the state in the base

7   year.

8   SECTION 6. 71.07 (3w) (b) 2. of the statutes is amended to read:

9   71.07 **(3w)** (b) 2. Determine the claimant's average zone payroll by dividing

10   total wages for full-time employees whose annual wages are greater than $20,000

11   in a tier I county or municipality or greater than $30,000 in a tier II county or

12   municipality and who the claimant employed in the enterprise zone in the taxable

13   year by the number of full-time employees whose annual wages are greater than

14    $20,000 in a tier I county or municipality or greater than $30,000 in a tier II county

15   or municipality and who the claimant employed in the enterprise zone in the taxable

16   year.

17   SECTION 7. 71.07 (3w) (b) 3. of the statutes is amended to read:

18   71.07 **(3w)** (b) 3. ~~Subtract~~ For employees in a tier I county or municipality,

19   subtract $20,000 from the amount determined under subd. 2. and for employees in

20   a tier II county or municipality, subtract $30,000 from the amount determined under

21   subd. 2.

22   SECTION 8. 71.07 (3w) (b) 5. of the statutes is amended to read:

23   71.07 **(3w)** (b) 5. Multiply the amount determined under subd. 4. by the

24   percentage determined by the department of commerce under s. 560.799, not to

25   exceed 7 percent.

1   **SECTION 9.** 71.07 (3w) (bm) of the statutes is renumbered 71.07 (3w) (bm) 1. and

2   amended to read:

3   71.07 **(3w)** (bm) 1. In addition to the ~~credit~~ credits under par. (b) and subd. 2.,

4   and subject to the limitations provided in this subsection and s. 560.799, a claimant

5   may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount

6   equal to a percentage, as determined by the department of commerce, not to exceed

7   100 percent, of the amount the claimant paid in the taxable year to upgrade or

8   improve the job-related skills of any of the claimant's full-time employees, to train

9   any of the claimant's full-time employees on the use of job-related new technologies,

10 or to provide job-related training to any full-time employee whose employment with

11 the claimant represents the employee's first full-time job. This subdivision does not

12 apply to employees who do not work in an enterprise zone.

13   **SECTION 10.** 71.07 (3w) (bm) 2. of the statutes is created to read:

14   71.07 **(3w)** (bm) 2. In addition to the credits under par. (b) and subd. 1., and

15 subject to the limitations provided in this subsection and s. 560.799, a claimant may

16 claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount equal

17 to the percentage, as determined by the department of commerce under s. 560.799,

18 not to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all

19 of the claimant's full-time employees whose annual wages are greater than $20,000

20 in a tier I county or municipality, not including the wages paid to the employees

21 determined under par. (b) 1., or greater than $30,000 in a tier II county or

22 municipality, not including the wages paid to the employees determined under par.

23 (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if

24 the total number of such employees is equal to or greater than the total number of

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SECTION 10

1   such employees in the base year. A claimant may claim a credit under this

2   subdivision for no more than 5 consecutive taxable years.

3   **SECTION 11.** 71.28 (3w) (a) 3. of the statutes is amended to read:

4   71.28 **(3w)** (a) 3. "Full-time employee" means ~~an individual who is employed~~

5   ~~in a regular, nonseasonal job and who, as a condition of employment, is required to~~

6   ~~work at least 2,080 hours per year, including paid leave and holidays~~ a full-time

7   employee, as defined in s. 560.799 (1) (am).

8   **SECTION 12.** 71.28 (3w) (a) 5d. of the statutes is created to read:

9   71.28 **(3w)** (a) 5d. "Tier I county or municipality" means a tier I county or

10   municipality, as determined by the department of commerce under s. 560.799.

11   **SECTION 13.** 71.28 (3w) (a) 5e. of the statutes is created to read:

12   71.28 **(3w)** (a) 5e. "Tier II county or municipality" means a tier II county or

13   municipality, as determined by the department of commerce under s. 560.799.

14   **SECTION 14.** 71.28 (3w) (b) 1. a. of the statutes is amended to read:

15   71.28 **(3w)** (b) 1. a. The number of full-time employees whose annual wages

16   are greater than $20,000 in a tier I county or municipality or greater than $30,000

17   in a tier II county or municipality and who the claimant employed in the enterprise

18   zone in the taxable year, minus the number of full-time employees whose annual

19   wages were greater than $20,000 in a tier I county or municipality or greater than

20    $30,000 in a tier II county or municipality and who the claimant employed in the area

21   that comprises the enterprise zone in the base year.

22   **SECTION 15.** 71.28 (3w) (b) 1. b. of the statutes is amended to read:

23   71.28 **(3w)** (b) 1. b. The number of full-time employees whose annual wages

24   are greater than $20,000 in a tier I county or municipality or greater than $30,000

25   in a tier II county or municipality and who the claimant employed in the state in the

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1   taxable year, minus the number of full-time employees whose annual wages were

2   greater than $20,000 in a tier I county or municipality or greater than $30,000 in a

3   tier II county or municipality and who the claimant employed in the state in the base

4   year.

5   **SECTION 16.** 71.28 (3w) (b) 2. of the statutes is amended to read:

6   71.28 **(3w)** (b) 2. Determine the claimant's average zone payroll by dividing

7   total wages for full-time employees whose annual wages are greater than $20,000

8   in a tier I county or municipality or greater than $30,000 in a tier II county or

9   municipality and who the claimant employed in the enterprise zone in the taxable

10   year by the number of full-time employees whose annual wages are greater than

11    $20,000 in a tier I county or municipality or greater than $30,000 in a tier II county

12   or municipality and who the claimant employed in the enterprise zone in the taxable

13   year.

14   **SECTION 17.** 71.28 (3w) (b) 3. of the statutes is amended to read:

15   71.28 **(3w)** (b) 3. ~~Subtract~~ For employees in a tier I county or municipality,

16   subtract $20,000 from the amount determined under subd. 2. and for employees in

17   a tier II county or municipality, subtract $30,000 from the amount determined under

18   subd. 2.

19   **SECTION 18.** 71.28 (3w) (b) 5. of the statutes is amended to read:

20   71.28 **(3w)** (b) 5. Multiply the amount determined under subd. 4. by the

21   percentage determined by the department of commerce under s. 560.799, not to

22   exceed 7 percent.

23   **SECTION 19.** 71.28 (3w) (bm) of the statutes is renumbered 71.28 (3w) (bm) 1.

24   and amended to read:

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1   71.28 **(3w)** (bm) 1. In addition to the ~~credit~~ credits under par. (b) and subd. 2.,

2   and subject to the limitations provided in this subsection and s. 560.799, a claimant

3   may claim as a credit against the tax imposed under s. 71.23 an amount equal to a

4   percentage, as determined by the department of commerce, not to exceed 100

5   percent, of the amount the claimant paid in the taxable year to upgrade or improve

6   the job-related skills of any of the claimant's full-time employees, to train any of the

7   claimant's full-time employees on the use of job-related new technologies, or to

8   provide job-related training to any full-time employee whose employment with the

9   claimant represents the employee's first full-time job. This subdivision does not

10   apply to employees who do not work in an enterprise zone.

11   **SECTION 20.** 71.28 (3w) (bm) 2. of the statutes is created to read:

12   71.28 **(3w)** (bm) 2. In addition to the credits under par. (b) and subd. 1., and

13   subject to the limitations provided in this subsection and s. 560.799, a claimant may

14   claim as a credit against the tax imposed under s. 71.23 an amount equal to the

15   percentage, as determined by the department of commerce under s. 560.799, not to

16   exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of the

17   claimant's full-time employees whose annual wages are greater than $20,000 in a

18   tier I county or municipality, not including the wages paid to the employees

19   determined under par. (b) 1., or greater than $30,000 in a tier II county or

20   municipality, not including the wages paid to the employees determined under par.

21   (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if

22   the total number of such employees is equal to or greater than the total number of

23   such employees in the base year. A claimant may claim a credit under this

24   subdivision for no more than 5 consecutive taxable years.

25   **SECTION 21.** 71.47 (3w) (a) 3. of the statutes is amended to read:

1   71.47 **(3w)** (a) 3. "Full-time employee" means ~~an individual who is employed~~

2   ~~in a regular, nonseasonal job and who, as a condition of employment, is required to~~

3   ~~work at least 2,080 hours per year, including paid leave and holidays~~ a full-time

4   employee, as defined in s. 560.799 (1) (am).

5   **SECTION 22.** 71.47 (3w) (a) 5d. of the statutes is created to read:

6   71.47 **(3w)** (a) 5d. "Tier I county or municipality" means a tier I county or

7   municipality, as determined by the department of commerce under s. 560.799.

8   **SECTION 23.** 71.47 (3w) (a) 5e. of the statutes is created to read:

9   71.47 **(3w)** (a) 5e. "Tier II county or municipality" means a tier II county or

10   municipality, as determined by the department of commerce under s. 560.799.

11   **SECTION 24.** 71.47 (3w) (b) 1. a. of the statutes is amended to read:

12   71.47 **(3w)** (b) 1. a. The number of full-time employees whose annual wages

13   are greater than $20,000 in a tier I county or municipality or greater than $30,000

14   in a tier II county or municipality and who the claimant employed in the enterprise

15   zone in the taxable year, minus the number of full-time employees whose annual

16   wages were greater than $20,000 in a tier I county or municipality or greater than

17   $30,000 in a tier II county or municipality and who the claimant employed in the area

18   that comprises the enterprise zone in the base year.

19   **SECTION 25.** 71.47 (3w) (b) 1. b. of the statutes is amended to read:

20   71.47 **(3w)** (b) 1. b. The number of full-time employees whose annual wages

21   are greater than $20,000 in a tier I county or municipality or greater than $30,000

22   in a tier II county or municipality and who the claimant employed in the state in the

23   taxable year, minus the number of full-time employees whose annual wages were

24   greater than $20,000 in a tier I county or municipality or greater than $30,000 in a

1   tier II county or municipality and who the claimant employed in the state in the base

2   year.

3   SECTION 26. 71.47 (3w) (b) 2. of the statutes is amended to read:

4   71.47 (3w) (b) 2. Determine the claimant's average zone payroll by dividing

5   total wages for full-time employees whose annual wages are greater than $20,000

6   in a tier I county or municipality or greater than $30,000 in a tier II county or

7   municipality and who the claimant employed in the enterprise zone in the taxable

8   year by the number of full-time employees whose annual wages are greater than

9    $20,000 in a tier I county or municipality or greater than $30,000 in a tier II county

10   or municipality and who the claimant employed in the enterprise zone in the taxable

11   year.

12   SECTION 27. 71.47 (3w) (b) 3. of the statutes is amended to read:

13   71.47 (3w) (b) 3. Subtract For employees in a tier I county or municipality,

14   subtract $20,000 from the amount determined under subd. 2. and for employees in

15   a tier II county or municipality, subtract $30,000 from the amount determined under

16   subd. 2.

17   SECTION 28. 71.47 (3w) (b) 5. of the statutes is amended to read:

18   71.47 (3w) (b) 5. Multiply the amount determined under subd. 4. by the

19   percentage determined by the department of commerce under s. 560.799, not to

20   exceed 7 percent.

21   SECTION 29. 71.47 (3w) (bm) of the statutes is renumbered 71.47 (3w) (bm) 1.

22   and amended to read:

23   71.47 (3w) (bm) 1. In addition to the credit credits under par. (b) and subd. 2.,

24   and subject to the limitations provided in this subsection and s. 560.799, a claimant

25   may claim as a credit against the tax imposed under s. 71.43 an amount equal to a

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1   percentage, as determined by the department of commerce, not to exceed 100

2   percent, of the amount the claimant paid in the taxable year to upgrade or improve

3   the job-related skills of any of the claimant's full-time employees, to train any of the

4   claimant's full-time employees on the use of job-related new technologies, or to

5   provide job-related training to any full-time employee whose employment with the

6   claimant represents the employee's first full-time job. This subdivision does not

7   apply to employees who do not work in an enterprise zone.

8   **SECTION 30.** 71.47 (3w) (bm) 2. of the statutes is created to read:

9   71.47 **(3w)** (bm) 2. In addition to the credits under par. (b) and subd. 1., and

10   subject to the limitations provided in this subsection and s. 560.799, a claimant may

11   claim as a credit against the tax imposed under s. 71.43 an amount equal to the

12   percentage, as determined by the department of commerce under s. 560.799, not to

13   exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of the

14   claimant's full-time employees whose annual wages are greater than $20,000 in a

15   tier I county or municipality, not including the wages paid to the employees

16   determined under par. (b) 1., or greater than $30,000 in a tier II county or

17   municipality, not including the wages paid to the employees determined under par.

18   (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if

19   the total number of such employees is equal to or greater than the total number of

20   such employees in the base year. A claimant may claim a credit under this

21   subdivision for no more than 5 consecutive taxable years.

22   **SECTION 31.** 560.799 (1) (am) of the statutes is created to read:

23   560.799 **(1)** (am) 1. Except as provided in subd. 2., "full-time employee" means

24   an individual who is employed in a regular, nonseasonal job and who, as a condition

1   of employment, is required to work at least 2,080 hours per year, including paid leave

2   and holidays.

3   2.   The department may by rule specify circumstances under which the

4   department may grant exceptions to the requirement under subd. 1. that a full-time

5   employee means an individual who, as a condition of employment, is required to work

6   at least 2,080 hours per year, but under no circumstances may a full-time employee

7   mean an individual who, as a condition of employment, is required to work less than

8   37.5 hours per week.

9   **SECTION 32.** 560.799 (3) (a) of the statutes is amended to read:

10   560.799 **(3)** (a) The department may designate not more than 10 enterprise

11   zones. ~~The department may designate an area as an enterprise zone if the area does~~

12   ~~not exceed 50 acres.~~

13   **SECTION 33.** 560.799 (3) (b) of the statutes is renumbered 560.799 (3) (b) (intro.)

14   and amended to read:

15   560.799 **(3)** (b) (intro.) In determining whether to designate an area under par.

16   (a), the department shall consider all of the following:

17   <u>1.</u> Indicators of the area's economic need, which may include data regarding

18   household income, average wages, the condition of property, housing values,

19   population decline, job losses, infrastructure and energy support, the rate of business

20   development, <u>and</u> the existing resources available to the area; ~~the~~<u>.</u>

21   <u>2. The</u> effect of designation on other initiatives and programs to promote

22   economic and community development in the area, including job <u>retention, job</u>

23   creation ~~and,~~ job training<u>,</u> and creating high-paying jobs.

24   **SECTION 34.** 560.799 (3) (bm) of the statutes is created to read:

1   560.799 **(3)** (bm) The department shall specify whether an enterprise zone

2   designated under par. (a) is located in a tier I county or municipality or a tier II county

3   or municipality.

4   **SECTION 35.** 560.799 (5) (d) of the statutes is created to read:

5   560.799 **(5)** (d) A business that retains jobs in an enterprise zone, but only if

6   the business makes a significant capital investment in property located in the

7   enterprise zone and at least one of the following applies:

8   1. The business is an original equipment manufacturer with a significant

9   supply chain in the state, as determined by the department by rule.

10   2. More than 500 full–time employees are employed by the business in the

11   enterprise zone.

12   **SECTION 36.** 560.799 (6) (g) of the statutes is created to read:

13   560.799 **(6)** (g) The department shall promulgate the following by rule:

14   1. The definitions of a tier I county or municipality and a tier II county or

15   municipality. The department may consider all of the following information when

16   establishing the definitions required under this subdivision:

17   a. Unemployment rate.

18   b. Percentage of families with incomes below the poverty line established under

19   42 USC 9902 (2).

20   c. Median family income.

21   d. Median per capita income.

22   e. Other significant or irregular indicators of economic distress, such as a

23   natural disaster or mass layoff.

24   2. The definition of an original equipment manufacturer with a significant

25   supply chain in the state.

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SECTION 9110

1   **SECTION 9110. Nonstatutory provisions; Commerce.**

2   (1) ENTERPRISE ZONE JOBS CREDIT; EMERGENCY RULES. The department of

3   commerce may use the procedure under section 227.24 of the statutes to promulgate

4   rules under section 560.799 (6) (g) of the statutes, as created by this act.

5   Notwithstanding section 227.24 (1) (c) and (2) of the statutes, emergency rules

6   promulgated under this subsection remain in effect until July 1, 2010, or the date on

7   which permanent rules take effect, whichever is sooner. Notwithstanding section

8   227.24 (1) (a) and (3) of the statutes, the department is not required to provide

9   evidence that promulgating a rule under this subsection as an emergency rule is

10   necessary for the preservation of the public peace, health, safety, or welfare and is

11   not required to provide a finding of emergency for a rule promulgated under this

12   subsection.

13   (2) ENTERPRISE ZONE JOBS CREDIT; ECONOMIC IMPACT REPORT. Notwithstanding

14   sections 227.137 (2) and 227.138 (2) of the statutes, if the secretary of administration

15   requires the department of commerce to prepare an economic impact report for the

16   rules required under section 560.799 (6) (g) of the statutes, as created by this act, the

17   department may submit the proposed rules to the legislature for review under

18   section 227.19 (2) of the statutes before the department completes the economic

19   impact report and before the department receives a copy of the report and approval

20   under section 227.138 (2) of the statutes.

21   **SECTION 9343. Initial applicability; Revenue.**

22   (1) ENTERPRISE ZONE JOBS CREDIT. The treatment of sections 71.07 (3w) (a) 3.,

23   5d., and 5e. and (b) 1. a. and b., 2., 3., and 5., 71.28 (3w) (a) 3., 5d., and 5e. and (b)

24   1. a. and b., 2., 3., and 5., and 71.47 (3w) (a) 3., 5d., and 5e. and (b) 1. a. and b., 2., 3.,

25   and 5. of the statutes, the renumbering and amendment of sections 71.07 (3w) (bm),

1   71.28 (3w) (bm), and 71.47 (3w) (bm) of the statutes, and the creation of sections 71.07

2   (3w) (bm) 2., 71.28 (3w) (bm) 2., and 71.47 (3w) (bm) 2. of the statutes first apply to

3   taxable years beginning on January 1, 2009.

4   **(END)**